

March 25, 2009

To: Members MT House Taxation Committee

From: Bob Raney – former PSC Commissioner

Montana piggy backs on Federal tax codes and thus creates an unfair expense compensation situation for members of the Montana Public Service Commission.

A quirk in Montana law requires that a PSC Commissioner retain residency in the district from which elected.

**69-1-103. Composition of commission.** The commission shall consist of five members, who shall be qualified electors of the district from which they are elected, with each such member elected from a separate district of the state. Four years ago, upon my inquiry, the DOR determined that the underlined language above meant that I had to maintain a residence in my district throughout my term as commissioner.

One would think that determination would provide for the commissioner to could collect travel, food and lodging expenses similar to Legislators while serving in Helena.

However, Federal tax code determines that a Commissioners place of residence is where that Commissioner works (Helena) and no provision allows for claiming ANY expenses for serving as a Commissioner – no mileage, no room or house rent, no meal allowance – nothing.

That is simply not fair. No other elected or appointed government official is required to live one place and work in another without provision of reasonable expenses.

I urge you to pass HB 677.

Thank you!